

2018-212-W
276744

Complete Form, Print, Sign and Mail to:
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210



Phone: 803-896-5100
Fax: 803-896-5199
www.psc.sc.gov
Text PSCAGENDAS to 39492
To receive an alert when Meeting Agendas are released

Individual Complaint Form

Date*: 06/11/2018

RECEIVED

Complainant or Legal Representative Information:		* Required Fields	
Name *	Chief Colleen Walz		
Firm (if applicable)	St Johns Fire District		
Mailing Address *	P. O. Box 56		
City, State Zip *	Johns Island	SC	29457
Phone *	843-559-9194		
E-mail	C.Walz@stjfd.org		
Name of Utility Involved in Complaint: * Kiawah Island Utility, Inc.			

Type of Complaint (check appropriate box below.) *

<input type="checkbox"/> Billing Error/Adjustments	<input type="checkbox"/> Deposits and Credit Establishment	<input type="checkbox"/> Wrong Rate	<input type="checkbox"/> Refusal to Connect Service
<input type="checkbox"/> Disconnection of Service	<input type="checkbox"/> Payment Arrangements	<input type="checkbox"/> Water Quality	<input type="checkbox"/> Line Extension Issue
<input type="checkbox"/> Service Issue	<input type="checkbox"/> Meter Issue		
<input checked="" type="checkbox"/> Other (be specific) Fire Hydrant rental fee			

Have you contacted the Office of Regulatory Staff (ORS)? * ☒ Yes ☐ No **Name of ORS Contact:** Brad Kirby

Concise Statement of Facts/Complaint: * (This section must be completed. Attach additional information to this page if necessary.)

See Attached:

Complaint
Motion approved by the Commission
Map of the St Johns Fire District
Letter stating fire hydrant rental fee from Kiawah Island Utility, Inc

Relief Requested: * (This section must be completed. Attach additional information to this page if necessary.)

The District therefore requests that this fee be directly billed to and collected from customers of Kiawah Island Utility, Inc.

****I GIVE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA PERMISSION TO PUBLISH THIS COMPLAINT AND ITS CONTENTS ON THE COMMISSION'S WEBSITE (dms.psc.sc.gov), AND I UNDERSTAND SUCH INFORMATION MAY BE SUBJECT TO PUBLIC SCRUTINY OR FURTHER RELEASE.** ☒ Yes ☐ No

Colleen Walz, Chief
Complainant's Signature* (MUST BE SIGNED, DO NOT PRINT)

STATE OF SOUTH CAROLINA)
COUNTY OF Charleston)

VERIFICATION

I, Colleen Walz, Chief of St. Johns Fire District
Complainant's Name * verify that I have read my complaint filed on June 11, 2018
Date *

and know the contents thereof, and that said contents are true.

Colleen Walz, Chief of St. Johns Fire District
Complainant's Signature* (MUST BE SIGNED, DO NOT PRINT)

Internal Use Only	
Processed By	Date
H.E.	

RECEIVED

JUN 25 2018

PSC SC
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SETTLEMENT AGREEMENT EXHIBIT 1

RATE SCHEDULE NO. 5 FIRE HYDRANT SERVICE

- AVAILABILITY** - Available within the Company's service area.
APPLICABILITY - Applicable to fire hydrants connected to Company water mains.

Water Service Charges

\$134.79 per fire hydrant per year payable semiannually in advance for firefighting service.

Order 2012-98
\$117.75 per hydrant

When temporary water service from a hydrant is requested by a contractor or others, a meter will be installed and the charge will be:

\$8.00 for each day of use, PLUS \$4.87 /1000 gals for ALL water used, PLUS a \$50 security deposit.

Order 2002-285
\$100 per hydrant

RATE SCHEDULE NO. 6 GOLF COURSE IRRIGATION

- AVAILABILITY** - Available within the Company's service area.
APPLICABILITY - Applicable for golf course irrigation where the customer agrees to take as a minimum quantity the treated effluent from the wastewater treatment plant.

Water Service Charges

A.	Effluent Water:	
	Base Facilities Charge per Golf Course	\$ 4,349.68/mo.
	Consumption	\$ 0.19 / 1000gal.
B.	Deep Well Water:	
	Base Facilities Charge per Golf Course	\$ 1,065.54/mo.
	Consumption	\$ 0.28 / 1000gal.
C.	Potable Water:	
	Base Facilities Charge per Golf Course	\$ 815.39/mo.
	Consumption	\$ 4.87 / 1000gal.

RATE SCHEDULE NO. 7 FIRE LINE SERVICE

- AVAILABILITY** - Available within the Company's service area.
APPLICABILITY - Applicable for private fire lines.

Water Service Charges

Base Facilities Charge	
2" Line	\$ 8.09/mo.
3" Line	\$ 14.81/mo.
4" Line	\$ 25.67/mo.
6" Line	\$ 51.34/mo.

Tap-In Fees

2" Line	\$ 4,000.00
3" Line	\$ 8,750.00
4" Line	\$ 25,000.00

Water tap-in fee where the service is larger than 4" shall be based on the tap-in fee schedule as listed in the Commercial Service Schedule No. 2.

Complaint submitted by the St Johns Fire District

The St. John's Fire Commission, by and through its undersigned Commissioners and pursuant to a vote at its regular monthly meeting on June 11, 2018, challenges the reasonableness and fairness of fire hydrant "rental fees" being charged by Kiawah Island Utility, Inc., 31 Sora Rail Road, Kiawah Island, SC 29455. The present rate is \$134.79 per hydrant per year. There are approximately 494 hydrants involved for a total of approximately \$66,586.26.

The St. Johns Fire District is a Special Purpose District created by the South Carolina Legislature in 1959 to provide fire protection to Johns Island, Wadmalaw Island, Kiawah Island, and Seabrook Island. At the time of the creation of the District, the 4 sea islands were very rural areas, indeed both Kiawah and Seabrook were essentially undeveloped. Since 1959 the District has experienced dramatic growth, particularly on Kiawah and Seabrook Islands. Also, some portions of Johns Island have been annexed by the City of Charleston. A map of the District is attached for your reference.

Approximately 40 years ago, the District began the practice of paying "rent" for hydrants based on a flat fee for each hydrant. This "rent" was to cover water usage and infrastructure costs. Although no signed contracts can be found, it appears from meeting minutes in 1979 that the original intent was for the flat fee "rent" to extend for a period of 20 years. Kiawah Island had no water service at that time, but the same procedure was followed when Kiawah later began providing water service and hydrants. The original rate was \$75.00 per hydrant. Over time, a number of changes have taken place which have rendered the original arrangement obsolete.

These changes include:

1. The 20 years has expired.
2. Infrastructure costs are now reimbursed by developers.
3. The number of hydrants has increased dramatically.
4. Kiawah has developed into an upscale community and is now incorporated as a town.
5. the water supply for Kiawah is now a private concern for profit.

Kiawah Island Utility, Inc. distributes water that originates with the Commissioners of Public Works for the City of Charleston, Charleston Water System. The District has since evaluated its water usage for 2017 and estimates it used less than \$7,000 of water that year. The District believes there is no rational relationship between the amount charged and the services rendered. Also, because the St. John's Fire District is funded by residents from 3 islands not part of the town of Kiawah, there is the appearance that they are being "taxed" to pay for Kiawah's water. It is of note that Wadmalaw Island has no fire hydrants or water service. The District therefore asserts that the present system and rate is not just unreasonable as to amount, but is also unfair because it charges customers not in its service area.

With these things in mind, the district believes the fairest practice would be for the present system to be eliminated and for future billing to be assessed through the water base rate directly to the customers on Kiawah Island. The water base rate is now in place for fire hydrants and related costs at the City of Charleston through the Charleston Water System.

Motion presented to the St Johns Fire District Commission on June 11, 2018

I move that the Commission file an official complaint with the South Carolina Public Service Commission challenging both the reasonableness and fairness of the fire hydrant "rental" fee of \$134.79 being charged by Kiawah Island Utility, Inc. The complaint will seek to have the hydrant fees assessed directly to the customers of Kiawah Island Utility, Inc. and that the amount be adjusted to a reasonable rate.



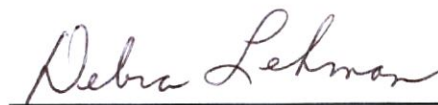
Leroy Blake



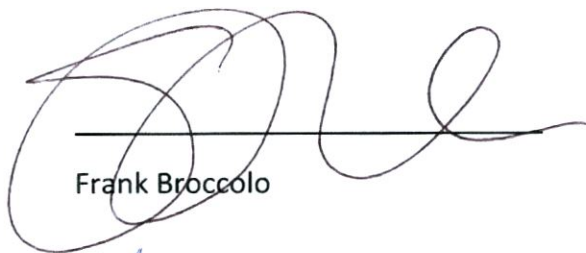
Mary Jones



Eric Britton



Debra Lehman



Frank Broccolo



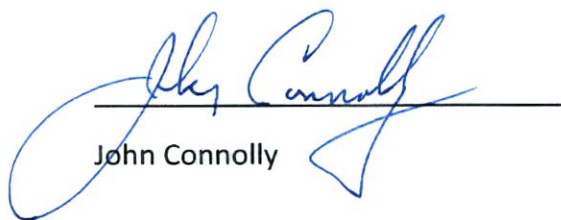
Stephen Rolando



Samuel Brownlee



William Thomae



John Connolly

